PRESIDENT: In associating myself with this vote I have only to add that the Andhra University is proposing to celebrate this occasion by associating itself with the work of our University by an endowment made by that University. When that comes these two Universities will be interlinked in further ties of amity and co-operation. Having said that I now put the proposition to the vote and we shall carry it standing.

The motion was carried *nem con* all the members standing.

DEMANDS FOR SUPPLEMENTARY GRANTS.

LAND REVENUE AND INCOME-TAX DEPARTMENT.

MR. K. GEORGE: I beg to move for a grant of Rs. 4230 under "Land Revenue and Income Tax".

Sir, this grant may be considered in two parts. Out of this sum, a sum of Rs. 2,735 is intended for the expenditure on the establishment and contingencies of the Income Tax Adviser whose services are to be retained for a further period of six months. The balance of the amount is intended for the reorganisation of the Income Tax Department. It consists of the appointment of an auditor on Rs. 75—100 for 5 months and the creation of a third Income-Tax collector on a salary of Rs. 150 to 200 and for his establishment, Travelling Allowance and contingencies.

Sir, when the Income Tax Regulation was introduced into Travancore in 1093 it generally followed the British India Act. Later on, in British India the Act was amended and consolidated in 1922 and at the same time a separate and independent staff, a self-contained department was created for income tax work.

In Travancore the administration is vested entirely in the Land Revenue Department. Government considered that this argument was not entirely satisfactory. As a first step towards the improvement of the working of income tax, Government created in the year 1934 two officers called Income Tax Collectors and put them in charge of the four Municipal Towns of Nagercoil, Trivandrum, Quilon and Alleppey, two for each office. The Income Tax Collector of Trivandrum is placed in charge of the Municipal Towns of Nagercoil and Trivandrum and the Collector of Alleppey is in charge of the Municipal Towns of Quilon and Alleppey. The experiment which Government then started has proved immensely successful. At the time of the budget last year, I submitted to Government proposals for increasing the staff of independent collectors from two four so that more intensive to work might be done and better Revenue secured for the Government. After this proposal was submitted, Government carefully considered the whole matter and came to the conclusion that it was very desirable that the whole question of income tax assessment should be examined by an expert from

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British India. Accordingly they obtained the services of Mr. K. C. Venkatarama Aiyar, an officer of ripe experience in British India in income tax work who has in fact spent all his life in the Income Tax Department of British India. He was brought down with a view to bring our Income Tax Regulation and Rules in confirmity with what obtains in British India, to suggest improvements for the better working of the department, and to make proposals for such reorganisation as may be necessary in order to bring about those improvements. Government also felt that some immediate steps should be taken to improve the revenue. They felt that in the matter of assessment of large incomes a good deal remained to be done. The practice has been that incomes of over Rs. ten thousand to be assessed by the Division Peishkars. It was found that the assessments made by Division Peishkars were capable of improvement and that better results could be obtained if a special officer is appointed for the purpose of assessing the larger incomes. Accordingly a Deputy Commissioner of income tax of the status of a Division Peishkar was appointed and entrusted with the work of assessment of incomes in excess of Rs. 20 thousand. He was also given the power of hearing appeals from subordinate collectors and entrusted with the duty of inspecting the work of Assistant Division Peishkars and Tahsildar collectors.

The Income Tax Adviser has spent about five months now in Travancore. He has toured round the State and has found out the defects in the working of the Regulation. He has also examined the method of assessment, the way in which books are kept, how appeals are heard and everything connected with income tax work. He has now submitted certain proposals to Government. But briefly, his proposal is to make the Income Tax Department self contained. The chief defect at present is that we have now far too many collectors. We have now 43 collectors in the State. All the Tahsildars, the Assistant Peishkars and the Division Peishkars are collectors. Besides them, there are also two full time collectors. It is the opinion of the Adviser this multiplicity of assessing officers does not conduce to efficiency. Further, he found that the collectors who are entrusted with income tax work do it as an additional piece of work along with their normal work. They have neither the time nor the inclination nor the expert knowledge to do the work properly. Therefore it is his opinion that the Income Tax Department should be separated from the Land Revenue Department and that the number of collectors should be reduced. He has suggested that there should be one Deputy Commissioner at headquarters, three full-time collectors and one Division Peishkar collector. His proposal is to have a Deputy Commissioner on a smaller pay than the present officer. The third collector is intended for the Kottayam Division. For Devicolam, he has suggested that the work in this Division may be left in the hands of the Commissioner at Devicolam. He has also suggested that headship of the department may be entrusted to an independent officer. After the scheme was received, Government called a conference of the officers concerned to discuss these proposals. As a result certain proposals have now been agreed to. These

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[Mr. K. George]

are that for the time being, the headship of the department will continue as at present, *viz*, the head of the Land Revenue Department will also continue to be the head of the Income Tax Department. An officer of such high status as the present Deputy Commissioner is not required and that in his place a Deputy Commisoioner on Rs. 300 to 400 corresponding to the first grade of Assistant Peishkars may be appointed. An additional collector will be appointed to be in charge of the Kottayam and Devicolam Divisions. This is in essence a summary of the proposals that Government are now placing before the House.

MR. A. THANU PILLAI: May I know from the member whether it is the arrangement that the Devicolam Commissioner will continue to deal with assessments there?

MR. K. GEORGE: That was the advisor's proposal, but Government do not propose to give any assessment work to the Devicolam Commissioner; The proposal is that all income tax work up to Rs. ten thousand will be done by the three full-time collectors and all assessments above that will be done by the Deputy Commissioner. He will have about 200 assessments. The other officers will have about 600 to 700 assessments.

In regard to the continuance of the Income Tax Advisor in the State for a further period of six months, his work during the past five months was immensely useful. He has gone round the State, inspected every office where income tax work is done, and he has come to the conclusion that the assessment as is being done now by the revenue officers is not quite satisfactory. In the first place these officers have not the necessary expert knowledge. In the second place they do not give income tax work the importance that it deserves. They treat it as a sort of addition to their regular work.

The Income Tax Advisor has found that there is ample scope for improving the income from the department. He has already submitted to Government revised rules to be issued under the rules amended. He is now engaged in looking into the Regulation itself in order to see what further changes are necessary to bring it into conformity with the British Indian Act. With the proposed changes in the constitution of the department, it will be necessary to retain his services for a few months more.

MR. V. K. VELAYUDHAN: May I know whether the Income Tax Adviser has submitted the proposals for which he was got down.

MR. K. GEORGE: I was stating that. The re-organisation scheme itself was submitted by him. He has also drafted rules under the Regulation which was recently amended. He is now preparing the forms which have to be brought into use in the Income Tax Department. It is necessary when we reorganise the department that we should have an officer who has great experience in the work to assist us. We should take advantage of his presence and continue to have his services for a few months more.

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MR. M. G. MATHEW (*Karunagapalli* cum *Kartikapalli*) : Is it proposed to separate the Land Revenue Department from the Income Tax Department ?

MR. K. GEORGE : I have already explained that. Excepting the headship of the Land Revenue Department, the income tax department will be independent of the Revenue department

It might be asked—I am anticipating the question—whether an officer may not be sent from here to British India for studying the work there. Sir, it will be less costly to retain the services of the officer who is already here than if we send one of our officers from here to British India. Further the officers in British India cannot be expected to devote much time or trouble in the training of our officers.

PRESIDENT : Did the honourable member have any such experience ?

MR. V. K. VELAYUDHAN : May I know whether Government propose to continue the advisor simply for the purpose of instructing our officers and pointing out their defects ?

MR. K. GEORGE : I think if our officers are asked to go to British India they will not get much help there. My view is that the officer will get a better knowledge of work by handling income tax cases. It is not likely that British Indian Officers would allow our officers to handle their files.

MR. K. P. KOCHUKORATHARAKAN: ഒരാളിനെ വിദേശത്തേക്കയച്ചു പഠിപ്പിച്ചു് വരുത്തുന്നതിനേക്കാൾ പഠിച്ചു നല്ല പരിചയം സമ്പാദിച്ചിട്ടുള്ള ഒരാളിനെ ഏട്ടോ പത്തോ വർഷത്തേക്കു ഇവിടെ കടമെടുക്കുന്നതല്ലെ നല്ലതു്.

MR. K. GEORGE : I think the member has not grasped the purpose of the reconstitution. It is proposed to divest the Tahsildars of their income tax work, and by having a separate staff, Government will have an experienced staff of men in the income tax department. It is an advantage now to have an officer of experience in income tax work, and the training he will give will be very valuable to the State.

MR. K. T. THOMAS : May I know whether the Income Tax Adviser was giving training for the last five or six months to anybody here ?

MR. K. GEORGE : That has not been the object of his work here so far. He is discovering the defects in the working of the department and making suggestions for improving the work. No doubt he has also been giving instructions. I may also say that as Commissioner and Chief Revenue authority, he has been of great use to me also.

MR. A. THANU PILLAI : May I ask the member whether himself and the Deputy Commissioner have received sufficient training from the special officer ? May I ask whether he feels himself in need of more training ?

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MR. K. GEORGE : The more one gets trained, the better it is for the department. I do not expect to be trained at this time of my life I was merely saying that it is necessary to retain the Income Tax Adviser in order to give training to our officers.

As regards the Deputy Commissioner, Government considered that it was not necessary to have such a high paid Deputy Commissioner of the status of a Division Peishkar. The new Deputy Commissioner, whoever he is, will be appointed in the scale of Rs. 300 to 400. And thereby we will save the cost by half.

PRESIDENT : The honourable member may perhaps, before he sits down, indicate what he expects to be the financial results of the reconstitution of the department.

MR. K. GEORGE : At present I have not got accurate figures.

PRESIDENT: It is enough the honourable member gives an approximate idea of the matter,

MR. K. GEORGE : Yes, Sir. I shall refer to improvement in revenue that has taken place after the appointment of separate Income Tax Collectors. Till the year 1109 the income tax work that is now being done by the collectors was done by the Revenue Department At that time the number of assessees in the municipal towns over which the collectors exercise jurisdiction was 886 and the demand was for Rs. 97,107. In 1110 the two Income Tax Collectors were appointed. The number of assessees rose from 886 to 897 and revenue rose to Rs. 1,20,778. In the next year the number of assessees came to 976 and the income was Rs. 1,23,248. Last year the figures were better. The number of assessees was 995 and the total income came to Rs. 1,61,612.

I should say therefore that there has been a decided and a progressive improvement with the appointment of full time collectors. With the appointment of one more Collector it may be expected that a proportionate increase in the revenue will be realised. The Department in future will be able to investigate all possible sources of income with much better effect. That this is not being done at present is one of the defects pointed out by the Income Tax Adviser. No investigation is being made by the full time Collectors in that line. Nor is any investigation made about the possible assessees which the Income Tax Collectors could get by examining the various books of business people such as Banks. They can get information regarding assessees by referenee to the Customs Returns and such like things. All that work has so far been neglected. With the appointment of full time Income Tax Collectors and the separation of the Department from the Revenue Department it may be expected that these Officers will be in a better position to get hold of all assessible incomes and thus bring about larger revenue to the State. I hope these propesals will to acceptable to the House.

MR. KOTTALIL P. ABRAHAM: May I know an approximate idea of income tax revenue for the years 1108 and 1109 ?

MR. K GEORGE: I have not got those figures at present. I took the figures after 1109 for the simple reason that up to the end of 1109 the Department was entirely worked by the Revenue Department. The Income Tax Collectors were appointed only in the year 1110.

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MR. A. THANU PILLAI : May I know what is the amount that is now asked for the Income Tax Adviser ?

MR. K. GEORGE : The amount that is asked for is Rs. 2,735 for the Income Tax Adviser's staff, travelling allowance and contingencies.

MR. F. X. PEREIRA : May I know, is the improvement in income-tax figures due to the appointment of full time Collectors or to the revival of trade ?

MR. K. GEORGE : One cannot exactly assign how much is due to the revival of trade and how much to the work of the Income Tax Collectors. It may be taken for granted that with the appointment of special Income Tax Collectors there has been less of evation of tax.

MR. K. T. THOMAS: Reference was made by the Learned Revenue Commissioner to the appointment of Auditors for five months. May I know what exactly is their function ?

MR. K. GEORGE : We have only five months during the rest of the year and therefore the period is specified as five months. The Auditor is to be attached to the office of the Deputy Commissioner who will get the accounts of all Assessees whose income is above Rs. 10,000.

MR. E. SUBRAHMANYA AIYAR (*Nominated*) : If the Tahsildars are divested of income tax work, is there no possibility of reduction in their strength ?

MR. K. GEORGE: No, Sir. I think I have indicated clearly that the Tahsildars who are in charge or the taluks are doing this work as a sort of extra work. We cannot reduce the Tahsildars unless we reduce the taluks.

MR. K. KESAVAN: താസിൽദാരന്മാരുടെയും മറ്റും ശമ്പളത്തിൽ വല്ല കുറവും വരുത്തണമെന്നു വിചാരിക്കുന്നുണ്ടോ.

MR. K. GEORGE: Tahsildars are a set of unfortunate people whose pay has been reduced in recent years and no further reduction is possible.

MR. A. THANU PILLAI : May I move an amendment for the motion now before the House ?

PRESIDENT : The honourable member has not given notice to that effect. But he can speak against the motion.

MR. A. THANU PILLAI : I do not want to speak against the entire motion.

PRESIDENT: I have received notice of an amendment with regard to the Industries Department. I think the hohourable member can speak against the present motion relating to Income Tax Department.

MR. THANU PILLAI : I do not propose to oppose the entire demand. I object to the extension of the period of the Income Tax Adviser and expenditure to the extent of Rs. 2,375 that is now being asked for on that score.

PRESIDENT : The honourable member can easily do that by saying that he opposes the demand because it includes that amount.

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MR. A. THANU PILLAI: I could have given notice of a cut motion if the amount had been specified in the motion sheet itself. I have elicited information regarding the exact amount from the Revenue Commissioner only now. Had I known this before I could have given notice of an amendment earlier. Therefore I ask permission of the Chair to move an amendment, *viz.*, for the reduction of the amount If this is not allowed I would request the Chair, when putting the demand to the vote of the House, the item, may, be split into two parts.

PRESIDENT: I waive the rule regarding notice of amendment. I allow the honourable member to move his amendment for the sake of convenience.

MR. A. THANU PILLAI: Sir, I beg to move to reduce to allotment to the extent of Rs. 2,735 which is the amount required for the Income Tax Adviser. He was appointed here temporarily for a period of six months for a specific work. That work, as I see from the speech of the Land Revenue Commissioner, is now over. He was appointed to look into the matter of Income Tax administration and to suggest proposals for improving the working of the department. It is now said that he has made a report to Government. Though it has not been made available to the House, we are told that on the basis of his recommedation the Department is going to be reorganised. That is the position.

MR. K. GEORGE: May I make a correction? The Special Officer has not made a complete report of all his activities. He has yet to submit his report relating to the amendment to the Regulation. He has also to draft the forms that are to be used by the Department.

MR. A. THANU PILLAI: I think that an attempt is made now to put the cart before the horse. I should take it that in a matter like this the Regulation should have been looked into first. He had to go into the working of the Income Tax Regulation which is the basis of the whole work. What we are now told is that the rules have been amended and other arrangements for reorganising the Income Tax Department are complete but the Regulation remains to be amended. That is putting the cart before the horse. If however, amendments to the Regulation are necessary, they can only be few seeing that the Regulation was amended but recently. Since the Adviser has already studied the whole matter, he would not take more than a few hours for suggesting whatever amendments are necessary. It is now put forward by the Revenue Commissioner again that the Income tax advisers continuance for a further period of six months is necessary also to train a Deputy Commissioner of Income Tax and the Collectors in the way in which they have to do that work. The present adviser has been here for the last six months and he has been inspecting the various offices that are engaged in working the Regulation. He was also giving advice to the Income Tax Collectors as also the Income Tax Commissioner.

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One fact cannot be ignored. The Assistant Peishkars have been doing this work in addition to their revenue work for a good many years now. They are Graduates-in-Law who can understand the Income Tax Law very well. They do not stand in need of expert advice so far as the working of the Regulation and the rules are concerned. They have been doing this work all along. One of the best of them may be picked up for this purpose and given charge of the work. He will certainly be able to do the work efficiently. The present head of the Department is also an officer who can understand the Rules and Regulations very well. He himself told us that he can stand his own legs so far as income tax work is concerned. The present head of the Department can direct his subordinates and make them more efficient. There is absolutely no necessity to continue the income Tax Adviser merely to instruct and train a few persons in income tax work. Therefore I strongly oppose the demand to the extent of Rs. 2,785 and urge for its reduction.

MR. K. T. THOMAS: Sir, I rise to second the motion moved by Mr. Thanu Pillai for this reason. At the last Budget Session this House was told that a special officer for the purpose of income tax work is to be brought from British India with a view to examine the entire problem relating to income tax and to discover possible leakages and suggest measures for bringing to assessment those who are liable under the Regulation. The special officer has been touring the country for the last six months and examining the offices dealing with income tax collection. It has also been his function to submit the draft rules along with his report relating to income tax. It is now suggested that his period is to be extended by another six months for drawing up special tax forms necessary for that work and also for training some officer of the State for that purpose.

To an interpellation of mine as to whether any officer had been trained by the Income Tax Adviser within the period of six months it has been observed that he has not given training to any particular officer. But the Commissioner stated that the officer proved useful to him. He did not at all suggest that he was useful to other Income Tax Officers. After the period of six months during which he was to have conducted his research this Special Officer has discovered that after all a Deputy Commissioner in the cadre of one Assistant Division Peishkar alone is necessary for being trained instead of one in the cadre of a Dewan Peishkar. Such a discovery had to wait for six months; and after all it cannot be a concrete proposal for the reorganisation of the Department with a view to enhance its efficiency or of bringing to assessment people who have not been assessed to income tax or anything of that kind. The Special Officer was got down for a definite purpose and for a definite period to discharge a definite piece of work. He has submitted his report and Government are contemplating action on it.

What I understood from the Commissioner was that the Special Officer submitted three recommendations of which two were vetoed and one alone was sanctioned by Government. So far as the headship of the Income Tax Department was concerned, the Government thought

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[Mr. K. T. Thomas.]

that no change was necessary. In regard to income tax work in Devicolam, the Commissioner was allowed to carry on that work, though the Income Tax Adviser suggested that he may be divested of that work. On the basis of the report of the Income Tax Adviser it is proposed to appoint an Income Tax Collector for Kottayam and Devicolam. Should a Special Officer be continued for a further period of six months to carry on this piece of work is a proposition which I ask? The collection of income tax work was transacted by the Land Revenue Department till the year 1110. That was the year when we are told that two separate Income Tax Collectors were appointed as full time officers for collection of income tax. That was found to be of immense advantage to Government. When it was thought necessary to appoint two more collectors, the Government did not sanction it. No case has been made out for the further continuance of the Income Tax Adviser, merely for the purpose of training one or more officers for that work his retention is not necessary. So far as this House is concerned it is too much to be told that an Officer should be retained for a further period of six months to train a particular officer and for another period again to train another officer and so *ad infinition*.

PRESIDENT: The House will now adjourn.

The Assembly rose for lunch at 1 P. M. and re-assembled at 2 P. M. with the President in the Chair.

MR. K. T. THOMAS: When the House rose for lunch I was at the observation of the Government member that he is too old to be trained Perhaps, in respect of the Deputy Commissioner who was in office for the last six months, that officer also is feeling that he is in the same plight. Now the Adviser has discovered that one in a lesser cadre is more amenable to be trained than these two or perhaps that there is precious little to be learned from training. After all this is not a department that has come into existence all of a sudden. It has been working for the last so many years and working with remarkable progress with the lapse of years, as we have been told by the Government member when he traced the accounts and gave the statistics from the year 1109 up to the present day. Asking for the continuance of the special officer got down for a definite period, on definite terms, for a definite purpose, imparts the impression that ordinarily arrangements made on an emergency have a tendency to be continued and persons got down from outside on definite terms for defined periods really come to stay. That is certainly an aspect of the matter which deserves to be very seriously considered by the House. This arrangement was made on an emergency, when the Government felt that there was need for a particular expert to be got down from outside to frame rules or to investigate problems. Now he is proposed to be continued no matter on what terms he was got down, no matter for what purpose he really came to the State. That is an unfortunate circumstance which has got to be very seriously opposed is my view. I perhaps would be

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failing in my duty if I do not mention that fact. When employing the services of men from outside we ought to take care to exact the maximum service from them for which they are got down. What I feel on the matter is that if work had been properly exacted from the officer there would certainly have been no necessity for the continuance of this officer. It was contemplated that this officer's functions could be properly discharged and that the Government could be able to make him discharge his function within the time for which he was got down. Therefore I feel I owe a duty in opposing this demand so far as the amount of Rs. 2,735 is concerned.

MR. K. GEORGE: Sir, the criticism from the other side was, more or less, on these lines. First, that the Income Tax Adviser was appointed in the State with a view, among other things, to train the income tax officers and that he had ample time for training and so there is no need for retaining him any longer. Secondly it was said that the Income Tax officers have been in the State ever since the law was in force and that there must be a large number of officers who have been trained and therefore very little training is necessary, and if at all any training is necessary there is the Deputy Commissioner of Income Tax who can undertake it. In the course of this observations, Mr. Thomas said that the Income Tax Adviser was brought here, among other things, to train Income Tax officers. But that is not the case. He was brought here for studying the working of the Department and to suggest means and to make the Department work on more efficient lines. In that capacity he has done considerable work. As regards the work that he has already done, my friend Mr. Thanu Pillai said that the working of the amendment Regulation ought to have preceded the submission of the rules to the present Regulation. I beg to differ. We should have working rules for the amended Regulation so that our present working of the existing Regulation may be up to date. We have also to bring into use the forms and registers which have to be maintained by the income tax officers for working the Regulation as it is. As regards drafting the further amendments, I may inform the House that such amendments will not be many, for, our last amended Regulation practically brought up our law into conformity with the British Indian law. There are only some minor alterations which have to be made and the Income Tax Adviser is examining the question. Then it was pointed out in the course of his observation by Mr. Thomas that that officer submitted three proposals to the Government of which two have been vetoed. That is not a correct statement. In the course of his working, the Income Tax Adviser has submitted more than one report. A proposal for the reorganisation of the Department was submitted on the last day of December 1937. In that report he made certain suggestions and virtually all those suggestions except one or two minor details have been accepted by the Government. Practically all the proposals except with regard, to the one relating to the appointment of a separate head of the Department was sanctioned. The proposal to retain the assessing powers of the Commissioner, Devicolam, was only an alternative method.

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[Mr. K. George.]

Government thought that it was not a very important proposal and it was meant as a temporary arrangement to give lesser work to the Income Tax Collector at Kottayam so that a beginner may not have a large number of assessments to deal with. The question whether there should be a separate head for the Income Tax Department of the State is not dropped. That will perhaps have to be dealt with later. At present, it is proposed to keep the Land Revenue Commissioner as the head of the Income Tax Department also. So it is not correct to say that out of three proposals two were vetoed. In essence all his proposals have been accepted.

I have already stated that it was not with the intention of training anybody that the Adviser was brought down here. The assessing officers need training in the work. We have now cut down the number of collectors from 43 to 4 so that the training that the Adviser may have given to the Tahsildar Collectors is not going to be of any use in the future. I am saying that the Income Tax Adviser has not been engaged in training the Income Tax Collectors. Of course, in the course of this inspections he pointed out defects and irregularities. That does not amount to real training, It has been suggested that that is a a very simple matter. I am surprised that an advocate who has, I believe, sufficient knowledge of the complexity of Income Tax law, should have said that. In British India there are persons who are specialists in income tax work. Here also, if I may say so, the number of Advocates who come before the Commissioner and the Division Peishkars in income tax matters is limited. All of them do not practice in income tax work. It is a law which requires special training and it is a law which is very complex. Its case law is enormous. There are rulings of various High Courts in India and rulings of the Privy Council. Some of the rulings in India conflict with each other. So it is not a simple matter at all.

MR. K. T. THOMAS: Is not the present Deputy Commissioner an able law graduate with considerable experience even in income tax line?

MR. K. GEORGE: He is, no doubt, an efficient officer.

It is cheaper to continue the Adviser's appointment than entrust the work to the Deputy Commissioner. Granting that he is versed in income tax and that he is an expert, we want an officer to train the new Deputy Commissioner that has to be appointed. We do not want a Deputy Commissioner of the status of a Division Peishkar. If it is conceded that we want only an officer of a lower status the retention of the present officer for training the new Deputy Commissioner will be more expensive than the proposed arrangement:—

MR. A. THANU PILLAI: Am I to understand that till now the Income Tax Regulation has been worked by the officers of the Government without understanding the law?

MR. K. GEORGE: Not to the extent that the member refers. The income tax officers have been administering the law as efficiently as they knew it. What is contended here is that there is vast scope of knowing the thing better.

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MR. K. T. THOMAS : May I know whether this officer is really teaching the Income-tax law ?

MR. K. GEORGE : Training includes that interpretation of law also. That would be certainly one of the duties.

MR. K. T. THOMAS : I hope the member is aware that judicial decisions considerably shape the interpretation of law as time goes on.

MR. K. GEORGE : Yes, it does. What I say is that the income tax law requires an expert to teach it. When a new Deputy Commissioner is appointed it is certainly an advantage to the State that an expert who has been engaged all his life in that line should be available to us to help us to train our officers.

MR. M. G. MATHEW : May I know whether there is any likelihood of keeping up that man for other work when this work is finished ?

MR. K. GEORGE : There is no such idea.

I may also say Sir that British India, in the Income Tax officers are appointed on probation for two years during which period they are given training in the work. Training here is contemplated only for six months. And also I may inform the House that the Government of India have recently appointed an Income-Tax Specialist for advising them on Income-tax matters and for training local income-tax officers.

MR K. T. THOMAS : Does the Hon'ble Member suggest that the training obtaining in British India on a two years' probation could easily be done in six months here ?

MR. K. GEORGE : Yes Sir, we can easily have our training completed in six months. It is recognised all over the world that the Income-Tax Law is a special technical law which requires special training. And I think the arrangement which the Government proposes is not only best in the interest of the finance but it is also best in point of efficiency. For these reasons I hope the House will pass my demand.

The Demand was put to vote and carried.
The grant was made.

DEMANDS FOR SUPPLEMENTARY GRANTS.

Public Works Department, including capital expenditure not charged to revenue.

MR. S. SESHA AIYAR : Sir, I beg to move for a Grant of Rs. 21,000 under the following two items ;—

(i) Improvements to the road between Colachel and Thottiode in order to make it fit for bus traffic before the Trivandrum-Cape transport service is started—Rs. 18,000 ;

(ii) Investigation for the supply of fresh water in the coastal regions of the State by taking deep boring Rs. 3,000.

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